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PROGRAMME PLANNING AND IMPLEMENTATION

Country and intercountry programmes and projects

FIFTH COUNTRY PROGRAMME FOR KUWAIT

Programme period	Resources	$
January 1993-December 1996	Net IPF	-
	Estimated cost-sharing	15 000 000
	Total	15 000 000

CONTENTS

		Paragraphs	Page
I.	DEVELOPMENT SITUATION, OBJECTIVES AND STRATEGIES	1 - 7	2
A.	Current socio-economic situation	1 - 5	2
B.	National development objectives and strategies ...	6 - 7	3
II.	EXTERNAL COOPERATION	8 - 9	3
A.	Role of external cooperation	8	3
B.	Coordination arrangements	9	4
III.	THE COUNTRY PROGRAMME	10 - 34	4
A.	Assessment of ongoing country programme	10 - 13	4
B.	Proposals for UNDP cooperation	14 - 28	5
C.	Assistance outside the main areas of concentration of the country programme	29	9
D.	Implementation and management arrangements	30 - 34	9

Annexes

I.	Financial summary	11
II.	Programme matrix	13

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I. DEVELOPMENT SITUATION, OBJECTIVES AND STRATEGIES

A. Current socio-economic situation

1. Since the 1950s, the use of indicative planning to direct socio-economic development has served Kuwait well in its endeavour to improve the life of its people. These efforts, fuelled by the oil boom of the mid-1970s produced impressive results. Although Kuwait's economy is largely dependent on oil revenues, diversification of economic activities has been encouraged by increasing government investment abroad, establishing industries to satisfy domestic demand, harnessing marine resources and conducting research to improve the agriculture sector. By 1990 Kuwait had reached a high stage of development. It is ranked forty-fifth among 160 countries in the human development index (HDI) and the Human Development Report 1992 gave Kuwait 815 points out of a total 1,000, placing it in the category of countries with high human development.

2. At the time of the Iraqi invasion in August 1990, Kuwait's per capita gross national product (GNP) was $16,000, with a solid economic and social infrastructure and sophisticated means of production. The average life expectancy at birth was 73 years. About 96 per cent of the population lived in urban areas, with good amenities of urban life. Around 70 per cent of the adult population were literate and nearly 94 per cent of children were enroled in primary and secondary schools. The country had achieved a high ratio of physicians and nurses to population and a low death rate and low infant mortality.

3. During nearly seven months of occupation by Iraqi forces, the Kuwaiti economy suffered immense damage. While there are no firm figures, most informed judgements point to a decline of around 70 per cent in Kuwait's total population and in gross domestic product (GDP) from just before the invasion in 1990 to the end of occupation in late February 1991. An exodus of expatriates reduced the population from about 2.14 million in 1990 to between 1.3 and 1.5 million at the end of 1991. At present the Ministry of Planning estimates the population at 1.35 million; 620,000, or 45 per cent of the total population are Kuwaitis and approximately 48 per cent are female. The policy on employment of expatriates became more restrictive following the liberation in order to diminish the population imbalance. The number of public-sector workers has been reduced dramatically from the pre-invasion level of 250,000 to 170,000 and the number of expatriate staff in the Government has been limited to 35 per cent of the previous level.

4. Normalization has proceeded at a remarkable pace. Kuwait has attained significant progress in reconstruction and rehabilitation of its public infrastructure and services. The 752 oil wells damaged during the Iraqi invasion have been extinguished and are again operational. Oil production is about to reach the pre-invasion level of 1.5 million barrels per day. Schools were reopened in August 1991 and the missed 1990/91 school year was consolidated with the 1991/92 year.

5. Fulfilling its commitment to popular participation in the legislative process, Kuwait held its first democratic election after the Gulf War on

5 October 1992 and the first session of the elected National Assembly on 20 October 1992.

B. National development objectives and strategies

6. The scope of the recovery effort facing Kuwait following liberation is both extensive and urgent. A transitional plan was formulated by the Government which identified two major factors impeding the development process, namely, unbalanced population growth and increasing dependence on a single source of income. The plan also reaffirms the goals of the earlier "national strategy" of human resources development as the basis for future plans. Specifically, the objectives of this strategy are to build national capacity and develop a long-term perspective committed to improving the quality of life of the Kuwaiti people.

7. The following have been adopted to achieve these development goals:

(a) Revising legislative and policy instruments dealing with population structure and labour force, emphasizing the use of Kuwaiti nationals and a larger role for women to ensure full utilization of Kuwaiti manpower;

(b) Preparing a long-term development perspective as well as a five-year plan that builds on the experience and achievements of the transitional plan;

(c) Stressing the environmental dimension as an essential factor in comprehensive planning;

(d) Providing the necessary conditions for increased private-sector involvement in the development process, including the necessary modifications to the present structure of the national economy; and

(e) Developing an administrative reform programme that will provide the proper work climate and raise productivity in the public sector.

II. EXTERNAL COOPERATION

A. Role of external cooperation

8. As Kuwait has a relatively high income and is a net contributor to UNDP, development efforts are financed primarily from its own resources. Kuwait has, however, benefited from technical cooperation from several donors, such as the Governments of Japan, the United Kingdom of Great Britain and Northern Ireland and the United States of America, mainly for training and scholarships. UNDP remains the primary source for in-country technical expertise and is relied on as a channel for providing international technical expertise from United Nations specialized agencies. Kuwait has always been active in UNDP regional activities and recently the Government expressed interest in the areas of software technology and the environment.

B. Coordination arrangements

9. The Ministry of Planning is the focal point for the coordination of external resources, and the General Department for Technical Cooperation is the UNDP counterpart. This department coordinates requests received from the various government agencies for assistance from the United Nations system and is responsible for the allocation of government resources to UNDP. In the interest of promoting coherence and coordination from both the Government and the United Nations system, the Kuwaiti policy for funding United Nations specialized agency assistance is to treat all requests within the framework of the UNDP programme of assistance. As such, the UNDP resident representative is the focal point for all technical cooperation efforts.

III. THE COUNTRY PROGRAMME

A. Assessment of ongoing country programme

10. The fourth country programme (1987-1989) was formulated to coincide with the launching of the National Development Plan. The Government requested an extension of the programme for one year, to the end of 1990, to allow thorough preparation of the next country programme and to establish adequate linkages with the development priorities of the second National Development Plan, scheduled for approval in June 1990. The fourth country programme focused on the following objectives: (a) long-term socio-economic planning; (b) diversification of income-generating sources; (c) human resources development strategy; (d) improvement in management and maintenance operations; and (e) promotion of research in science and technology.

11. Many achievements were made under the fourth and earlier country programmes, particularly in such fields as development planning, demography and statistics, communications and agriculture. Nevertheless, after reviewing the programme, the Government and UNDP concluded that technical assistance provided under the fourth country programme consisted mostly of individual experts performing direct support services for a prolonged period to fill professional gaps in highly specialized areas in the government service. Little emphasis was given to either the formulation or implementation of capacity- or institution-building. The lack of fellowships in UNDP-sponsored projects further reduced any potential for sustainable transfer of knowledge and expertise.

12. Many other problems were identified during the implementation of the projects. These included shortcomings in project design, lengthy recruitment procedures and difficulties in identifying suitable experts, particularly in highly specialized fields.

13. The Government wishes to continue receiving technical assistance, which it finds helpful in its development effort, and considers that a properly formulated UNDP country programme stressing capacity-building will contribute significantly to Kuwait's development needs. The set of directives governing the delivery of technical cooperation which were approved by the Council of Ministers in resolution 704 of 30 July 1989 are designed to help overcome some of the previous difficulties. The resolution stipulates that:

(a) A minimum of two national counterparts should be assigned to each expert;

(b) A fellowship component should be included in all long-term projects;

(c) A rigorous annual evaluation involving UNDP, the executing agency, the Ministry of Planning and the experts and counterparts concerned should be conducted to assess impact of the projects; and

(d) No project should be extended unless it receives a positive evaluation. A maximum of five years should be set for any expert's assignment.

B. Proposals for UNDP cooperation

1. Preparatory process

14. The United Nations technical cooperation activities were discontinued after the Iraqi invasion, and the Governing Council was requested to authorize the Administrator to approve projects on a case-by-case basis pending approval of the fifth country programme. Soon after the liberation, the UNDP field office was reestablished and a series of consultations took place to define a new scope for UNDP support in the redefined circumstances of the country. In February 1992 a needs assessment/programming mission initiated a dialogue on the orientation of the fifth country programme. This was followed by a Management Development Programme reconnaissance mission (May 1992) and assessment missions by the Food and Agriculture Organization of the United Nations (FAO), the International Labour Organisation (ILO) and the United Nations Industrial development Organization (UNIDO) and several missions by United Nations interregional advisers. The UNDP advisory note was reviewed by the Government in September 1992 and its proposals were endorsed.

2. Strategy for UNDP cooperation

15. The reorientation of the UNDP programme of technical cooperation in Kuwait is based on General Assembly resolution 44/211 of 22 December 1989. That resolution reaffirmed the position of the Government at the core of the country programming process and the need for UNDP to base its activities on national priority goals. The resolution also stressed the importance of the coordination of technical cooperation and of each partner's comparative advantages. The Governing Council, in its decision 90/34 of 23 June 1990, clearly reaffirmed the primary mandate of UNDP to promote human development through national capacity-building, with the ultimate goal of attaining self-reliance.

16. The future role of UNDP in Kuwait will depart substantially from the previous direct support programmes in the following manner:

(a) UNDP support will focus explicitly on capacity-building and rely on projects designed to measure success by an ability of nationals to perform required functions;

(b) UNDP support will provide access to a wide range of expertise available around the world in development policy and programme options. This implies greater reliance on short-term advisory services and study tours; and

(c) UNDP support will be used to assist the Government to review bids or monitor performance in the focus areas, in order to ensure that the most appropriate and cost-effective services and expertise will be acquired by the country.

3. Proposed UNDP cooperation in selected areas of concentration

17. The fifth country programme represents a critical stage in the evolution of UNDP assistance to Kuwait. The proposals set forth below, while intended to support the Government's short- and medium-term efforts in reconstruction and rehabilitation, aim to assist the Government in building national capacity and developing a long-term development perspective. The underlying goal is to clearly define and pursue a long-term strategy for enhancing the quality of life of the Kuwaiti people through the exploitation of existing resources and the development of new ones on a sustainable basis.

18. The programme represents a departure from the trend of emphasizing the delivery of technical inputs on a project-by-project basis. In line with UNDP Governing Council decision 90/34 and Kuwaiti Council of Ministers resolution 704, UNDP support will focus on specific, clearly-defined programmes to gain maximum advantage from UNDP expertise in coordination and long-term capacity-building.

19. The emphasis throughout will, therefore, be on using UNDP assistance to develop policies and strategies consistent with the priorities declared in the transitional plan and to help build government capacity to formulate and implement those policies and strategies. From this perspective the three areas of emphasis will be:

(a) Human resources development, through a programme approach of education, vocational training, health needs and popular participation, with particular emphasis on women and disadvantaged groups;

(b) Development planning and public management, redefining and streamlining the roles and functions of Government in light of the new circumstances of having fewer public officials serving a smaller population; and

(c) Environment and natural resources management, through rehabilitation of the Kuwait Institute for Scientific Research and the development of environmentally sound programmes for the agriculture and fisheries sectors.

Human resources development

20. National objectives. The Gulf crisis has brought the problems associated with heavy dependence on expatriate labour to the top of the Government's agenda. In spite of considerable progress achieved by Kuwait in, developing its human resource base, the country continues to be confronted by diverse

constraints, namely, shortages of labour and lack of trained national personnel, inadequate educational systems and vocational training programmes and lack of environmental health services and other social services.

21. UNDP cooperation. UNDP assistance will be used in the formulation of a comprehensive human development strategy that will ensure national capacity-building. This comprehensive strategy is cross-sectoral and will consider, inter alia, the following:

(a) Education and vocational training. The ongoing review of the education sector is an important step towards adjusting the educational system to job market requirements. UNDP will assist in formulating an educational and vocational training plan that will respond to the new demands of the economy and population. Such a plan will also consider, inter alia, curriculum revision and development, increasing use of educational technology and reforming the teacher training system;

(b) Support to health services. Kuwait has always considered health a high-priority area. Following the liberation of the country, health services gained more importance and many requests were submitted to the World Health Organization (WHO) to deal with short-term needs. UNDP assistance will emphasize the health component as an important part of human capacity-building and will provide support in such areas as health planning and statistics, manpower development and environmental health;

(c) Participatory development. Kuwait has reached a highly developed system of social services. However, the human development approach involves not just investment in people but also in their participation in setting development goals. In this respect UNDP will support government efforts to develop a strategy that will encourage popular participation in community development activities, enhancement of the role of women and integration and rehabilitation of the disadvantaged segment of society. Also, in order to increase the productivity of the social sector, such questions as private and public delivery and centralization or decentralization of services will be addressed, including the role of non-governmental organizations (NGOs) in the social sector.

22. The success indicator for this programme is the establishment of a human development strategy with its various components and policies. A human development profile based on a changing population structure is highly desirable.

Development planning and public management

23. National objectives. There is a need to formulate a planning process that goes beyond the articulation of a development plan to define and reach a national consensus and long-term vision based on the country's aspirations and potential. The Government has prepared a mid-term transitional plan (1992/93-1994/95) to be followed by a full-fledged five year development plan (1995-2000); the latter will be the first of periodic plans covering the period to the year 2020. As part of government efforts to redress the damage to the economy and the exodus of government workers, three of the goals of the transition plan relate to national planning and public management, namely:

preparing a long-term development perspective; modifying the present structure of the national economy, and developing an administrative reform programme.

24. UNDP cooperation. UNDP support will focus on capacity-building in participatory processes in planning and policy formulation at the macrolevel as well as sectoral and intersectoral levels. Such key policy issues as diversifying the economy, creating an environment for private sector development and restructuring the government administration will be dealt with under this programme. The two main areas of concentration are:

(a) Development planning. There is a danger that in the face of heavy damage suffered during the war, policy options during the transitional period will focus on short-term solutions, with little regard to their long-term implications. Therefore it is essential to ensure that technical cooperation efforts are geared towards long-term development objectives. To this end, emphasis will be placed on strategies and enhancement of government capacity in such fields as macro-economic planning, national income accounts, demographic studies and manpower planning. A comprehensive socio-economic data base and a monitoring system are important aspects of the planning process;

(b) Public management. The administrative development component of the Government's three-year transitional plan for reconstruction focuses on improving government services, developing a skilled and motivated Kuwaiti workforce and modernizing the Government's administrative structures and processes. To achieve these goals each government agency will select, plan and implement its own administrative development and training projects. The Civil Service Commission will be responsible for managing the overall effort, for monitoring its progress and for strengthening the implementation capacity of the government agencies. UNDP will assist these efforts through a programme to provide the Administrative Development Department with the capacity to carry out its responsibilities under the plan.

25. The success indicators for this programme are: establishment of a long-term development perspective, an improved database and capacity within the Ministry of Planning to deal with various planning and policy issues. Also, the capacity of the Administrative Development Department will be enhanced to monitor the Administrative Plan.

Environment and natural resources management

26. National objectives. Traditionally Kuwait attached great importance to the environment and natural resources management. The high-level participation in the United Nations Conference on Environment and Development confirmed the importance the country gives to this field. This emphasis has become even more prominent in view of the serious environmental damage caused by oil spills during the war and the effects of the burning oil wells. In this respect the Government of Kuwait intends to enhance its regional role in the field of the environment.

27. UNDP cooperation. UNDP cooperation with the government follow-up team will contribute to putting into effect Agenda 21 and other environmental endeavours. The following areas of technical cooperation have been identified:

(a) Rehabilitation. UNDP has supported the Post-War Inter-Agency Plan of Action and is pursuing implementation of its recommendations. In the meantime UNDP technical support will be used for the rehabilitation of the environmental research and management capabilities of the Kuwait Institute for Scientific Research and the Environmental Protection Council. Particular emphasis will be given to re-establishing capabilities for soil and water research, marine and coastal environment modelling, desertification and toxicology (including underground water pollution resulting from the oil lakes). The work will also result in the establishment of a scientific database to be used in the development of environmental programmes and in future management of the environment. A programme of assistance is also being developed by FAO for the agriculture authority to rehabilitate the agriculture sector.

(b) Mitigation. Agriculture and fisheries in Kuwait are dependent on the state of the environment, and both soil and sea water were seriously damaged during the Gulf war. Agricultural and fisheries production provide a clear opportunity for developing a more diversified economy and the Government intends to stress these dimensions in future development plans. In re-establishing these sectors as well as rehabilitating the substantial number of small industries existing in the country, the opportunity exists to replace polluting technologies with environmentally benign ones, thereby enhancing the air, soil and water quality to the benefit of the sectors relying on these resources. Accordingly, prospects for setting up a pilot facility to provide selected agricultural and industrial ventures with environmentally sound technologies, with UNDP support following the Global Environment Facility model will be investigated.

28. Success indicators for the environmental programme include establishment of an environmental database, a research programme and strengthened capacities of the two main institutions involved in this programme, namely the Kuwait Institute for Scientific Research and the Environmental Protection Council.

C. Assistance outside the main areas of concentration of the country programme

29. Approximately 15 per cent of the available resources will be earmarked for an unprogrammed reserve to accommodate requests from the Government in areas not relating to the above areas of concentration, to allow flexibility for developing new areas of concentration for this programme cycle and to cover unforeseen contingencies. In view of the dire need for technical assistance for reconstruction, UNDP will be requested to provide assistance in the various sectors of the economy not necessarily related to the main themes of the programme.

D. Implementation and management arrangements

30. The provisions of the Council of Ministers resolution 704 of the Government of Kuwait will be pursued and cooperation between the Government and UNDP will be maintained to facilitate the implementation of the fifth country programme. To this end, a programme coordination unit with staff members from the Ministry

of Planning and UNDP will be established to oversee operational and coordination needs.

31. In light of the Government's familiarity with the use of international contractors, national execution will be encouraged for projects which are primarily subcontracts. The services of United Nations agencies will be utilized in such areas as formulation, monitoring and evaluation, as well as in the implementation of some components of nationally executed projects when individual expertise is required.

32. Kuwait was an early supporter of technical cooperation among developing countries (TCDC) and the Buenos Aires Plan of Action and a TCDC focal point has been in place for some time. Both UNDP and the Government, which can be a provider as well as beneficiary under this scheme, are exploring means to implement Governing Council decision 90/34 and introduce this modality of execution in the programme.

33. During implementation of the programme, cooperation with the regional programme will be exercised, particulary with relevant activities at the Centre for Environment and Development in the Arab Region and Europe (CEDARE).

34. To ensure national capacity-building and cost-effectiveness, the possibility of relying more on short-term consultancies rather than long-term experts will be explored. Also, use of national project managers, national professionals and United Nations Volunteer specialists will be encouraged.

Annex I

FINANCIAL SUMMARY

I. ESTIMATED RESOURCES (IPF + cost-sharing) TAKEN INTO ACCOUNT FOR PROGRAMMING

(Thousands of dollars)

Carry-over from fourth cycle IPF	-	
Fifth cycle IPF	-	
Estimated expenditures in 1992	-	
Estimated IPF resources for 1997	-	
Subtotal IPF		-
Project cost-sharing (Government)	-	
Project cost-sharing (third-party)	-	
Programme cost-sharing	15 000	
Subtotal cost-sharing		15 000
TOTAL		15 000

II. ALLOCATION OF RESOURCES (IPF + cost-sharing) BY AREA OF CONCENTRATION

Area of concentration	IPF	Cost-sharing	Total	Percentage of total resources
HUMAN RESOURCES DEVELOPMENT	-	3 000	3 000	20
DEVELOPMENT PLANNING AND PUBLIC MANAGEMENT	-	7 500	7 500	50
ENVIRONMENT AND NATURAL RESOURCES	-	2 250	2 250	15
Subtotal	-	12 750	12 750	85
Unprogrammed reserve	-	2 250	2 250	15
TOTAL	-	15 000	15 000	100

III. COMPLEMENTARY ASSISTANCE FROM OTHER SOURCES USED IN AREAS OF CONCENTRATION

		Thousands of dollars	
A.	UNDP-administered funds		
	SPR	200	
	UNCDF	-	
	UNSO	-	
	UNIFEM	-	
	UNRFNRE	-	
	UNFSTD	-	
	Subtotal		-
B.	Other United Nations resources		
	JCGP participating agencies		
	UNFPA	-	
	UNICEF	-	
	WFP	-	
	IFAD	-	
	Other United Nations agencies (non-UNDP financed)	-	
	Global Environment Facility	-	
	Subtotal		-
	Total non-core and other United Nations resources		-
C.	Non-United Nations resources		-
	TOTAL		200

Annex II

PROGRAMME MATRIX a/

Area of concentration	Area of focus					
	Poverty eradication and grass-roots participation in development	Environment and natural resource management	Management development	TCDC	Transfer and adaptation of technology	WID
I. HUMAN RESOURCES DEVELOPMENT						
Education and vocational training				*	*	*
Support to health services					*	*
Participatory development	*					*
II. DEVELOPMENT PLANNING AND PUBLIC MANAGEMENT						
Development planning			*			
Public management			*			
III. ENVIRONMENT AND NATURAL RESOURCES MANAGEMENT						
Rehabilitation		*		*	*	
Mitigation		*		*	*	

a/ Asterisks indicate major linkage only.